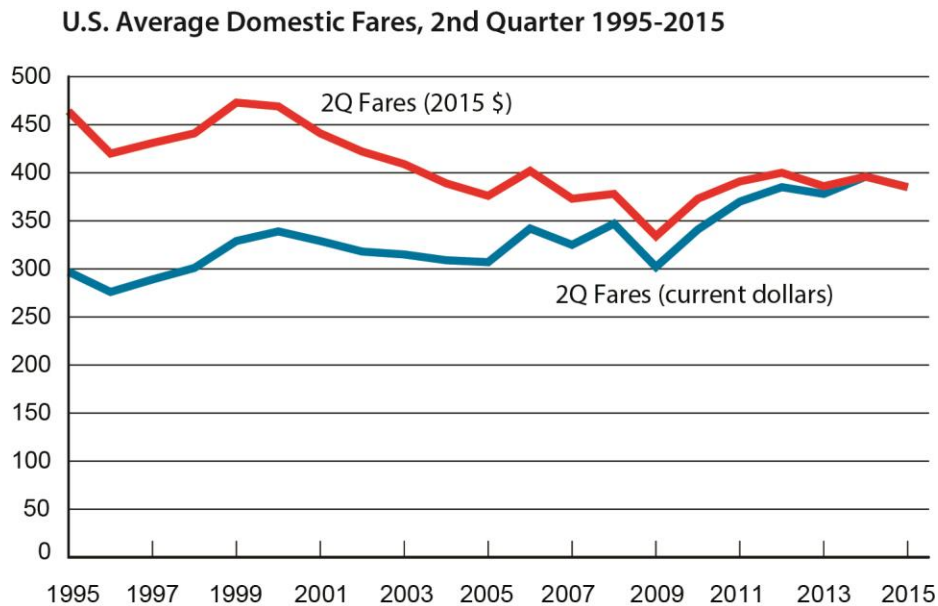


BTS 02-16
Friday, January 8, 2016
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2nd-Quarter 2015 Air Fare Data

The average domestic air fare decreased to \$385 in the second quarter of 2015, down 2.8 percent from \$396 in the second quarter of 2014, adjusted for inflation (Table 1), the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported today.



Source: Bureau of Transportation Statistics, [BTS Air Fares, Origin and Destination Survey](#)

BTS reports average fares based on domestic itinerary fares. Itinerary fares consist of round-trip fares, unless the customer does not purchase a return trip. In that case, the one-way fare is included. One-way trips accounted for 34 percent of fares calculated for the second quarter of 2015. Fares are based on the total ticket value, which consists of the price charged by the airlines plus any additional taxes and fees levied by an outside entity at the time of purchase. Fares include only the price paid at the time of the ticket purchase and do not include fees for optional services, such as baggage fees. Averages do not include frequent-flyer or “zero fares,” or abnormally high reported fares. Constant 2015 dollars are used for inflation adjustment. The release of second-quarter air fare data was delayed from the previously scheduled release date because of the need to resolve data quality issues with airline submissions for the Origin & Destination database.

Inflation-Adjusted Air Fares

Second-quarter fares rose 17 percent from the recession-affected low of \$334 in 2009 to the second quarter of 2011. Since 2011, second-quarter fares have shown little change, decreasing 1.5 percent from 2011 to 2015 (Table 1).

The second-quarter 2015 fare was down 18.6 percent from the average fare of \$473 in 1999, the highest inflation-adjusted second quarter average fare in the 20 years since BTS began collecting air fare records in 1995. The 18.6 percent decline took place while overall consumer prices rose 43.6 percent. Since 1995, inflation-adjusted fares declined 17.1 percent compared to a 56.5 percent increase in overall consumer prices (Table 2). See [BTS Air Fare web page](#) for historical data.

U.S. passenger airlines collected 75.7 percent of their total revenue from passenger fares during the second quarter of 2015, down from 1995 when 87.6 percent of airline revenue was received from fares (Table 1A).

Quarter-to-Quarter Change

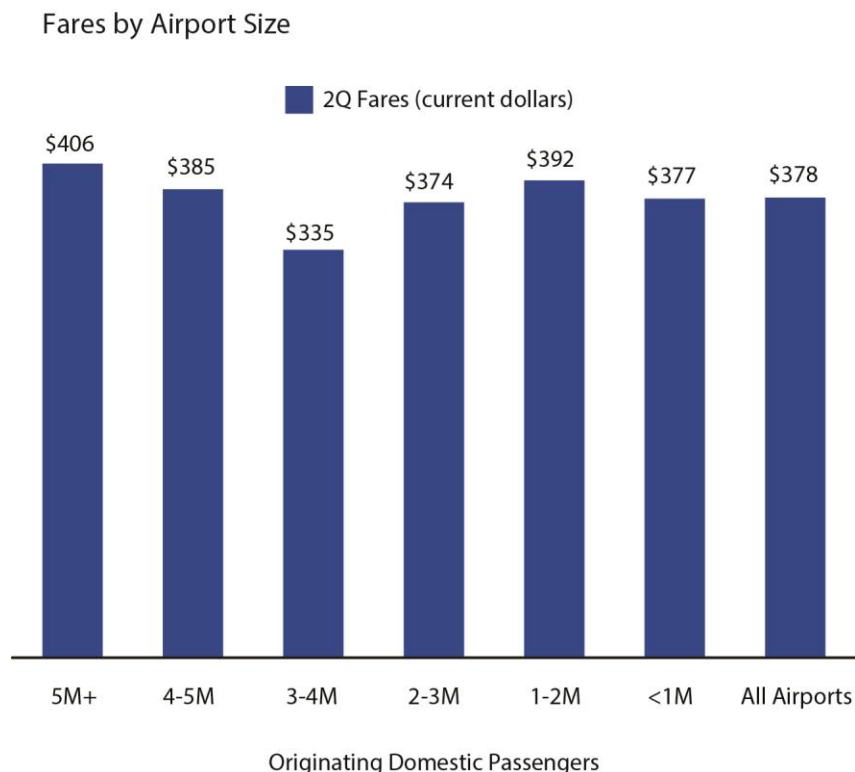
In the three-year period from the second quarter of 2012 to the second quarter of 2015, inflation-adjusted fares decreased 3.7 percent. In the two-year period from the second quarter of 2013 to the second quarter of 2015, inflation-adjusted fares decreased 0.3 percent (Table 3).

Unadjusted Air Fares

The \$385 second-quarter 2015 average fare was equal to the 2012 second-quarter average fare, the second highest average fare for any second quarter since 1995, but down 2.7 percent from the highest second quarter fare, reached in 2014. Since 1995, unadjusted fares rose 29.8 percent (Table 4).

Second-quarter 2015 fares were down 2.8 percent from the third quarter of 2014, which at \$396 was the all-time unadjusted high (Table 5).

Fares by Airport



Grouped by the number of originating passengers in the second quarter of 2015, the 15 airports with more than 5 million originating passengers had the highest average fares (\$406). Airports with 3 to 4 million originating passengers had the lowest average fares of any group (\$335) (Table 6).

Tables listing the airports by group can be found on the [BTS Air Fare web page](#).

For additional data, see [Top 100 Airports](#) or [All Airports](#). Since average fares are based on the [Origin and Destination Survey](#) 10 percent ticket sample, averages for airports with smaller samples may be less reliable. Fares for Alaska, Hawaii and Puerto Rico airports are not included in rankings but are available on the web page. Third-quarter 2015 average fare data will be released Feb. 2.

Table 1. 2nd Quarter Average Fare 1995-2015, Adjusted for Inflation

Year	Average Fare in constant 2015 dollars (\$)	Year-to-Year Percent Change in Average Fare (2Q to 2Q) (%)	Cumulative Percent Change in Average Fare (2Q 1995 to 2Q of each year) (%)
1995	464		
1996	420	-9.6	-9.6
1997	431	2.6	-7.2
1998	441	2.3	-5.1
1999	473	7.3	1.8
2000	469	-0.7	1.1
2001	441	-6.1	-5.1
2002	422	-4.3	-9.2
2003	409	-3.1	-12.0
2004	389	-4.7	-16.2
2005	376	-3.3	-19.0
2006	402	6.8	-13.5
2007	373	-7.2	-19.8
2008	378	1.5	-18.5
2009	334	-11.8	-28.1
2010	373	11.7	-19.7
2011	391	4.8	-15.8
2012	400	2.4	-13.9
2013	386	-3.4	-16.8
2014	396	2.5	-14.7
2015	385	-2.8	-17.1

Source: Bureau of Transportation Statistics, [BTS Air Fares](#) and [Origin and Destination Survey](#)

Note: Percent change based on unrounded numbers

Table 1A. Passenger Airline Revenue from Fares 1990-2015

Year	Revenue from Passenger Fares as Percent of Total Scheduled Passenger Airline Operating Revenue* (%)
1990	88.5
1995	87.6
2000	88.9
2001	87.8
2002	87.1
2003	84.9
2004	80.6
2005	78.4
2006	77.6
2007	77.7
2008	75.9
2009	73.7
2010	74.8
2011	74.6
2012	74.1
2013	74.6
2014	74.8
2015 (1Q)	74.6
2015 (2Q)	75.7

Source: Bureau of Transportation Statistics, P-12

* From [Schedule P-12](#): Passenger Revenue (Fares) (Acct 3901) as a percentage of Total Operating Revenues (4999).

Table 2. Percent Changes to 2015 in Average Domestic Average Fares and the Inflation Rate* by Year Since 1995

(2nd Quarter to 2nd Quarter for fares; March to March for inflation)

Since 2nd Quarter of ...	Duration in Years	Average Fare in constant 2015 dollars (\$)	Percent Change in Average Fare to 2ndQuarter 2015 (%)	Inflation Rate Change to Jun 2015
2015		385		
2014	1	396	-2.8	0.1
2013	2	386	-0.3	2.2
2012	3	400	-3.7	4.0
2011	4	391	-1.5	5.7
2010	5	373	3.2	9.5
2009	6	334	15.3	10.6
2008	7	378	1.8	9.1
2007	8	373	3.3	14.5
2006	9	402	-4.1	17.6
2005	10	376	2.3	22.7
2004	11	389	-1.1	25.8
2003	12	409	-5.7	29.9
2002	13	422	-8.7	32.7
2001	14	441	-12.6	34.1
2000	15	469	-18.0	38.4
1999	16	473	-18.6	43.6
1998	17	441	-12.6	46.4
1997	18	431	-10.6	48.9
1996	19	420	-8.3	52.3
1995	20	464	-17.1	56.5

Source: Bureau of Transportation Statistics, [BTS Air Fares](#) and [Origin and Destination Survey](#)

* Rate calculated using Bureau of Labor Statistics Consumer Price Index

Table 3. Inflation-Adjusted Average Domestic Airline Fares by Quarter
Average Fare and Percent Change by Quarter

Average Domestic Fare (2015\$)

Quarter/Year	Average Fare in constant 2015 dollars (\$)	Quarter-to-Quarter Percent Change in Average Fare (%)
3Q 2011	379	-2.9
4Q 2011	390	2.7
1Q 2012	388	-0.4
2Q 2012	400	3.1
3Q 2012	378	-5.4
4Q 2012	389	2.8
1Q 2013	387	-0.4
2Q 2013	386	-0.3
3Q 2013	398	2.9
4Q 2013	391	-1.6
1Q 2014	386	-1.3
2Q 2014*	396	2.6
3Q 2014*	397	0.3
4Q 2014*	399	0.4
1Q 2015*	392	-1.7
2Q 2015*	385	-1.9

Source: Bureau of Transportation Statistics, [BTS Air Fares](#) and [Origin and Destination Survey](#)

Note: Percent change based on unrounded numbers

* Fares for the most recent four quarters are in current dollars, not adjusted for inflation.

Table 4. Unadjusted 2nd Quarter Average Fares, 1995-2015

Year	Average Fare in current dollars (\$)	Year-to-Year Percent Change in Average Fare (2Q to 2Q) (%)	Cumulative Percent Change in Average Fare (2Q 1995 to 2Q of each year) (%)
1995	297		
1996	276	-7.1	-7.1
1997	289	5.0	-2.5
1998	301	4.0	1.4
1999	329	9.4	11.0
2000	339	3.0	14.3
2001	329	-3.1	10.7
2002	318	-3.3	7.1
2003	315	-1.1	6.0
2004	309	-1.6	4.3
2005	307	-0.9	3.3
2006	342	11.4	15.1
2007	325	-4.7	9.6
2008	347	6.6	16.9
2009	302	-13.0	1.7
2010	341	12.9	14.8
2011	370	8.5	24.6
2012	385	4.1	29.6
2013	378	-1.7	27.4
2014	396	4.7	33.3
2015	385	-2.7	29.8

Source: Bureau of Transportation Statistics, [BTS Air Fares](#) and [Origin and Destination Survey](#)

Note: Percent change based on unrounded numbers

Table 5. Unadjusted Average Domestic Airline Fares by Quarter

Average Fare and Percent Change by Quarter

Average Domestic Fare (current\$)		
Quarter/Year	Average Fare in current dollars (\$)	Quarter-to-Quarter Percent Change in Average Fare (%)
3Q 2011	361	-2.4
4Q 2011	368	2.1
1Q 2012	373	1.2
2Q 2012	385	3.2
3Q 2012	367	-4.6
4Q 2012	374	2.0
1Q 2013	378	1.0
2Q 2013	378	0.0
3Q 2013	390	3.2
4Q 2013	382	-2.0
1Q 2014	382	0.0
2Q 2014	396	3.5
3Q 2014	396	0.2
4Q 2014	393	-0.9
1Q 2015	388	-1.1
2Q 2015	385	-0.8

Source: Bureau of Transportation Statistics, [BTS Air Fares](#) and [Origin and Destination Survey](#)

Note: Percent change based on unrounded numbers

Table 6. Fares at Airports with 1,000,000+ Originating Passengers 2nd Quarter 2015

Based on 1Q2015 U.S. Originating Domestic Passengers

Airport Groups based on 2Q 2015 Originating Passengers	Average Fare 2nd Quarter 2015 (\$)	Percent of Total Passengers
5 million+	406	37
4-5 million	385	23
3-4 million	335	17
2-3 million	374	13
1-2 million	392	7
less than 1 million	377	3
Average Fare at All Airports	378	100

Source: Bureau of Transportation Statistics, [BTS Air Fares](#) and [Origin and Destination Survey](#)